

140.7 **ARTICLE 6**

140.8 **FACILITIES AND TECHNOLOGY**

87.19 **ARTICLE 6**

87.20 **FACILITIES AND TECHNOLOGY**

**S0978-3**

69.14 **ARTICLE 6**

69.15 **FACILITIES AND TECHNOLOGY**

**UEH0630-1**

87.21 Section 1. Minnesota Statutes 2012, section 123B.53, subdivision 5, is amended to read:

87.22 Subd. 5. **Equalized debt service levy.** (a) The equalized debt service levy of a

87.23 district equals the sum of the first tier equalized debt service levy and the second tier

87.24 equalized debt service levy.

87.25 (b) A district's first tier equalized debt service levy equals the district's first tier debt

87.26 service equalization revenue times the lesser of one or the ratio of:

87.27 (1) the quotient derived by dividing the adjusted net tax capacity of the district for

87.28 the year before the year the levy is certified by the adjusted pupil units in the district for

87.29 the school year ending in the year prior to the year the levy is certified; to

87.30 (2) ~~\$3,049~~ \$3,550.

87.31 (c) A district's second tier equalized debt service levy equals the district's second tier

87.32 debt service equalization revenue times the lesser of one or the ratio of:

88.1 (1) the quotient derived by dividing the adjusted net tax capacity of the district for

88.2 the year before the year the levy is certified by the adjusted pupil units in the district for

88.3 the school year ending in the year prior to the year the levy is certified; to

88.4 (2) ~~\$7,622~~ \$7,900.

88.5 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2015 and

88.6 later.

140.9 Section 1. Minnesota Statutes 2012, section 123B.54, is amended to read:

140.10 **123B.54 DEBT SERVICE APPROPRIATION.**

140.11 (a) ~~\$21,727,000 in fiscal year 2014 and \$24,201,000 in fiscal year 2015 and later~~

140.12 ~~are~~ The amount necessary to make debt service equalization aid payments under section

140.13 123B.53 is annually appropriated from the general fund to the commissioner of education

140.14 ~~for payment of debt service equalization aid under section 123B.53.~~

88.7 Sec. 2. Minnesota Statutes 2012, section 123B.54, is amended to read:

88.8 **123B.54 DEBT SERVICE APPROPRIATION.**

88.9 (a) ~~\$21,727,000~~ \$25,191,000 in fiscal year 2014 ~~2016~~ and \$24,201,000 ~~\$22,773,000~~

88.10 ~~in fiscal year 2015~~ 2017 and later are appropriated from the general fund to the

88.11 commissioner of education for payment of debt service equalization aid under section

88.12 123B.53.

140.15 (b) The appropriations in paragraph (a) must be reduced by the amount of any  
140.16 money specifically appropriated for the same purpose in any year from any state fund.

88.13 (b) The appropriations in paragraph (a) must be reduced by the amount of any  
88.14 money specifically appropriated for the same purpose in any year from any state fund.

88.15 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2015 and  
88.16 later.

88.17 Sec. 3. Minnesota Statutes 2012, section 123B.57, subdivision 4, is amended to read:

88.18 Subd. 4. **Health and safety levy.** To receive health and safety revenue, a district  
88.19 may levy an amount equal to the district's health and safety revenue as defined in  
88.20 subdivision 3 multiplied by the lesser of one, or the ratio of the quotient derived by  
88.21 dividing the adjusted net tax capacity of the district for the year preceding the year the  
88.22 levy is certified by the adjusted ~~marginal-cost~~ pupil units in the district for the school year  
88.23 to which the levy is attributable, to ~~\$2,796~~ \$3,165.

88.24 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2015  
88.25 and later.

88.26 Sec. 4. Minnesota Statutes 2012, section 123B.591, subdivision 2, is amended to read:

88.27 Subd. 2. **Deferred maintenance revenue.** The deferred maintenance revenue for  
88.28 an eligible school district equals the product of ~~\$60~~ \$64 times the adjusted ~~marginal-cost~~  
88.29 pupil units for the school year times the lesser of one or the ratio of the district's average  
88.30 age of building space to 35 years.

89.1 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2015  
89.2 and later.

89.3 Sec. 5. Minnesota Statutes 2012, section 123B.591, subdivision 3, is amended to read:

89.4 Subd. 3. **Deferred maintenance levy.** To obtain deferred maintenance revenue for  
89.5 ~~fiscal year 2008 and later~~, a district may levy an amount not more than the product of its  
89.6 deferred maintenance revenue for the fiscal year times the lesser of one or the ratio of its  
89.7 adjusted net tax capacity per adjusted ~~marginal-cost~~ pupil unit to ~~\$5,621~~ \$5,965.

89.8 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2015  
89.9 and later.

**NOTE: S0978-3, ARTICLE 6, SECTION 1 MATCHED WITH HOUSE ARTICLE 3, SECTION 10**

140.17 Sec. 2. Minnesota Statutes 2012, section 128D.11, subdivision 3, is amended to read:

140.18 Subd. 3. **No election.** Subject to the provisions of subdivisions 7 to 10, the school  
140.19 district may also by a two-thirds majority vote of all the members of its board of education  
140.20 and without any election by the voters of the district, issue and sell in each calendar year  
140.21 general obligation bonds of the district in an amount not to exceed 5-1/10 per cent of the  
140.22 net tax capacity of the taxable property in the district (plus, for calendar years 1990 to  
140.23 2003, an amount not to exceed \$7,500,000, and for calendar years year 2004 to 2016 and  
140.24 later, an amount not to exceed \$15,000,000; with an additional provision that any amount  
140.25 of bonds so authorized for sale in a specific year and not sold can be carried forward and  
140.26 sold in the year immediately following).

140.27 **EFFECTIVE DATE.** This section is effective July 1, 2013.

140.28 Sec. 3. Laws 2007, chapter 146, article 4, section 12, is amended to read:

140.29 Sec. 12. **BONDING AUTHORIZATION.**

140.30 To provide funds for the acquisition or betterment of school facilities, Independent  
140.31 School District No. 625, St. Paul, may by two-thirds majority vote of all the members of  
141.1 the board of directors issue general obligation bonds in one or more series ~~for calendar~~  
141.2 ~~years 2008 through 2016~~, as provided in this section. The aggregate principal amount of  
141.3 any bonds issued under this section for each calendar year must not exceed \$15,000,000.  
141.4 Issuance of the bonds is not subject to Minnesota Statutes, section 475.58 or 475.59.  
141.5 The bonds must otherwise be issued as provided in Minnesota Statutes, chapter 475.  
141.6 The authority to issue bonds under this section is in addition to any bonding authority  
141.7 authorized by Minnesota Statutes, chapter 123B, or other law. The amount of bonding  
141.8 authority authorized under this section must be disregarded in calculating the bonding  
141.9 limit of Minnesota Statutes, chapter 123B, or any other law other than Minnesota Statutes,  
141.10 section 475.53, subdivision 4.

89.10 Sec. 6. Minnesota Statutes 2012, section 125B.26, subdivision 4, is amended to read:

89.11 Subd. 4. **District aid.** For fiscal year 2006 and later, a district, charter school,  
89.12 or intermediate school district's Internet access equity aid equals the district, charter  
89.13 school, or intermediate school district's approved cost for the previous fiscal year  
89.14 according to subdivision 1 exceeding ~~\$15~~ \$16 times the district's adjusted ~~marginal~~  
89.15 ~~cost~~ pupil units for the previous fiscal year or no reduction if the district is part of an  
89.16 organized telecommunications access cluster. Equity aid must be distributed to the  
89.17 telecommunications access cluster for districts, charter schools, or intermediate school  
89.18 districts that are members of the cluster or to individual districts, charter schools, or  
89.19 intermediate school districts not part of a telecommunications access cluster.

89.20 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2015  
89.21 and later.

41.1 Sec. 58. Minnesota Statutes 2012, section 128D.11, subdivision 3, is amended to read:

41.2 Subd. 3. **No election.** Subject to the provisions of subdivisions 7 to 10, the school  
41.3 district may also by a two-thirds majority vote of all the members of its board of education  
41.4 and without any election by the voters of the district, issue and sell in each calendar year  
41.5 general obligation bonds of the district in an amount not to exceed 5-1/10 per cent of the  
41.6 net tax capacity of the taxable property in the district (plus, for calendar years 1990 to  
41.7 2003, an amount not to exceed \$7,500,000, and for calendar years 2004 to ~~2016~~ 2026,  
41.8 an amount not to exceed \$15,000,000; with an additional provision that any amount of  
41.9 bonds so authorized for sale in a specific year and not sold can be carried forward and  
41.10 sold in the year immediately following).

41.11 **EFFECTIVE DATE.** This section is effective July 1, 2013.

41.12 Sec. 59. Laws 2007, chapter 146, article 4, section 12, is amended to read:

41.13 Sec. 12. **BONDING AUTHORIZATION.**

41.14 To provide funds for the acquisition or betterment of school facilities, Independent  
41.15 School District No. 625, St. Paul, may by two-thirds majority vote of all the members of  
41.16 the board of directors issue general obligation bonds in one or more series for calendar  
41.17 years 2008 ~~through 2016~~ to 2026, as provided in this section. The aggregate principal  
41.18 amount of any bonds issued under this section for each calendar year must not exceed  
41.19 \$15,000,000. Issuance of the bonds is not subject to Minnesota Statutes, section 475.58 or  
41.20 475.59. The bonds must otherwise be issued as provided in Minnesota Statutes, chapter  
41.21 475. The authority to issue bonds under this section is in addition to any bonding authority  
41.22 authorized by Minnesota Statutes, chapter 123B, or other law. The amount of bonding  
41.23 authority authorized under this section must be disregarded in calculating the bonding  
41.24 limit of Minnesota Statutes, chapter 123B, or any other law other than Minnesota Statutes,  
41.25 section 475.53, subdivision 4.

141.11 **EFFECTIVE DATE.** This section is effective July 1, 2013.

41.26 **EFFECTIVE DATE.** This section is effective July 1, 2013.

### S0978-3

71.21 Sec. 2. **SCHOOL FACILITIES FINANCING WORK GROUP.**

71.22 The commissioner of education must convene a working group to develop  
 71.23 recommendations for reforming the financing of prekindergarten through grade 12  
 71.24 education facilities to create adequate, equitable, and sustainable financing of public  
 71.25 school facilities throughout the state. Membership on the working group must include  
 71.26 representatives of school superintendents, business managers, school facilities directors,  
 71.27 and school boards. The scope of the working group recommendations must include  
 71.28 funding options for facilities projects currently financed with debt service, alternative  
 71.29 facilities, deferred maintenance, health and safety, building lease, and operating capital  
 71.30 revenues. The commissioner, on behalf of the working group, must submit a report to the  
 71.31 chairs and ranking minority members of the legislative committees and divisions with  
 71.32 primary jurisdiction over kindergarten through grade 12 education finance by February 1,  
 71.33 2014, recommending how best to allocate funds for school facilities.

### UEH0630-1

141.12 Sec. 4. **CYRUS AND MORRIS SCHOOL DISTRICT CONSOLIDATION.**

141.13 Subdivision 1. **Purpose.** The legislature finds that an orderly, voluntary  
 141.14 consolidation of Independent School Districts Nos. 611, Cyrus, and 769, Morris, promotes  
 141.15 the well-being of the students and increases educational efficiency in those school districts.

141.16 Subd. 2. **Remediation costs.** Independent School District No. 611, Cyrus, may  
 141.17 identify all health and safety remediation costs related to the demolition of the Cyrus  
 141.18 school building and submit those amounts to the commissioner of education for approval.  
 141.19 Any approved costs may be included either in the district's health and safety plan or in the  
 141.20 bonding authority authorized under subdivision 3.

141.21 Subd. 3. **Facility bonds.** Independent School District No. 611, Cyrus, may issue  
 141.22 general obligation bonds without an election under Minnesota Statutes, chapter 475,  
 141.23 in an amount approved by the commissioner of education for the costs associated with  
 141.24 demolishing the Cyrus school building. The bonds must be repaid within ten years of  
 141.25 issuance.

93.31 Sec. 6. **CYRUS AND MORRIS SCHOOL DISTRICT CONSOLIDATION.**

93.32 Subdivision 1. **Purpose.** The legislature finds that an orderly, voluntary  
 93.33 consolidation of Independent School Districts Nos. 611, Cyrus, and 769, Morris, promotes  
 93.34 the well-being of the students and increases educational efficiency in those school districts.

94.1 Subd. 2. **Remediation costs.** Independent School District No. 611, Cyrus, may  
 94.2 identify all health and safety remediation costs related to the demolition of the Cyrus  
 94.3 school building and submit those amounts to the commissioner of education for approval.  
 94.4 Any approved costs may be included either in the district's health and safety plan or in the  
 94.5 bonding authority authorized under subdivision 3.

94.6 Subd. 3. **Facility bonds.** Independent School District No. 611, Cyrus, may issue  
 94.7 general obligation bonds without an election under Minnesota Statutes, chapter 475, after  
 94.8 a public meeting of the school board with notice given by mail according to Minnesota  
 94.9 Statutes, section 123B.09, subdivision 11, in an amount not to exceed \$1,000,000  
 94.10 approved by the commissioner of education for the costs associated with demolishing the  
 94.11 Cyrus school building. The bonds must be repaid within ten years of issuance. Any excess  
 94.12 bond proceeds after bonds are repaid must be credited back to the taxpayers of the former  
 94.13 Independent School District No. 611, Cyrus.

141.26 Subd. 4. **Reorganization operating debt determined.** Independent School District  
 141.27 No. 611, Cyrus, must estimate its reorganization operating debt according to Minnesota  
 141.28 Statutes, section 123B.82, and submit that amount to the commissioner of education  
 141.29 for approval.

141.30 Subd. 5. **Reorganization operating debt bonds.** Independent School District No.  
 141.31 611, Cyrus, may issue general obligation bonds without an election under Minnesota  
 141.32 Statutes, chapter 475, in an amount not to exceed the reorganization operating debt  
 141.33 approved by the commissioner of education under subdivision 2. The bonds must be  
 141.34 repaid within six years of issuance.

142.1 Subd. 6. **Repayment.** The bonded debt issued under this section remains payable  
 142.2 by the taxable property located within the boundaries of former Independent School  
 142.3 District No. 611, Cyrus.

142.4 **EFFECTIVE DATE.** This section is effective the day following final enactment.

142.5 Sec. 5. **APPROPRIATIONS.**

142.6 Subdivision 1. **Department of Education.** The sums indicated in this section are  
 142.7 appropriated from the general fund to the Department of Education for the fiscal years  
 142.8 designated.

142.9 Subd. 2. **Health and safety revenue.** For health and safety aid according to  
 142.10 Minnesota Statutes, section 123B.57, subdivision 5:

94.14 Subd. 4. **Reorganization operating debt determined.** Independent School District  
 94.15 No. 611, Cyrus, must estimate its reorganization operating debt according to Minnesota  
 94.16 Statutes, section 123B.82, and submit that amount to the commissioner of education  
 94.17 for approval.

94.18 Subd. 5. **Reorganization operating debt bonds.** Independent School District No.  
 94.19 611, Cyrus, may issue general obligation bonds without an election under Minnesota  
 94.20 Statutes, chapter 475, after a public meeting of the school board with notice given by mail  
 94.21 according to Minnesota Statutes, section 123B.09, subdivision 11, in an amount not to  
 94.22 exceed the reorganization operating debt approved by the commissioner of education  
 94.23 under subdivision 4. The bonds must be repaid within six years of issuance.

94.24 Subd. 6. **Repayment.** The bonded debt issued under this section remains payable  
 94.25 by the taxable property located within the boundaries of former Independent School  
 94.26 District No. 611, Cyrus.

94.27 **EFFECTIVE DATE.** This section is effective the day following final enactment.

89.22 Sec. 7. **DISABLED ACCESS LEVY AUTHORITY; TRACY.**

89.23 Notwithstanding the time limit in Minnesota Statutes, section 123B.58, subdivision  
 89.24 3, Independent School District No. 2904, Tracy, may levy its remaining disabled access  
 89.25 levy authority over two years, beginning with taxes payable in 2015.

89.26 **EFFECTIVE DATE.** This section is effective for levies certified in 2014 and later.

89.27 Sec. 8. **ELEVATOR REPAIR LEVY; NORMAN COUNTY WEST SCHOOL**  
 89.28 **DISTRICT.**

89.29 For taxes payable in 2015 and 2016, Independent School District No. 2527,  
 89.30 Norman County West, may levy for an amount not to exceed \$27,500 in each year. The  
 90.1 proceeds of this levy must be used to refurbish an existing elevator with new electrical and  
 90.2 mechanical components.

90.3 **EFFECTIVE DATE.** This section is effective for taxes payable in 2015 and 2016.

90.4 Sec. 9. **APPROPRIATIONS.**

90.5 Subdivision 1. **Department of Education.** The sums indicated in this section are  
 90.6 appropriated from the general fund to the Department of Education for the fiscal years  
 90.7 designated.

90.8 Subd. 2. **Health and safety revenue.** For health and safety aid according to  
 90.9 Minnesota Statutes, section 123B.57, subdivision 5:

House Language H0630-3

Senate Language UEH0630-1

142.11     \$        463,000     .....   2014

142.12     \$        434,000     .....   2015

142.13   The 2014 appropriation includes \$26,000 for 2013 and \$437,000 for 2014.

142.14   The 2015 appropriation includes \$68,000 for 2014 and \$366,000 for 2015.

142.15   Subd. 3. **Debt service equalization.** For debt service aid according to Minnesota

142.16   Statutes, section 123B.53, subdivision 6:

142.17     \$        19,083,000     .....   2014

142.18     \$        25,046,000     .....   2015

142.19   The 2014 appropriation includes \$2,397,000 for 2013 and \$16,686,000 for 2014.

142.20   The 2015 appropriation includes \$2,626,000 for 2014 and \$22,420,000 for 2015.

142.21   Subd. 4. **Alternative facilities bonding aid.** For alternative facilities bonding aid,

142.22   according to Minnesota Statutes, section 123B.59, subdivision 1:

142.23     \$        19,287,000     .....   2014

142.24     \$        19,287,000     .....   2015

142.25   The 2014 appropriation includes \$2,623,000 for 2013 and \$16,664,000 for 2014.

142.26   The 2015 appropriation includes \$2,623,000 for 2014 and \$16,664,000 for 2015.

142.27   Subd. 5. **Equity in telecommunications access.** For equity in telecommunications

142.28   access:

142.29     \$        3,750,000     .....   2014

142.30     \$        3,750,000     .....   2015

90.10     \$        458,000     .....   2014

90.11     \$        435,000     .....   2015

90.12   The 2014 appropriation includes \$26,000 for 2013 and \$432,000 for 2014.

90.13   The 2015 appropriation includes \$73,000 for 2014 and \$362,000 for 2015.

90.14   Subd. 3. **Debt service equalization.** For debt service aid according to Minnesota

90.15   Statutes, section 123B.53, subdivision 6:

90.16     \$        18,909,000     .....   2014

90.17     \$        24,986,000     .....   2015

90.18   The 2014 appropriation includes \$2,397,000 for 2013 and \$16,512,000 for 2014.

90.19   The 2015 appropriation includes \$2,800,000 for 2014 and \$22,186,000 for 2015.

90.20   Subd. 4. **Alternative facilities bonding aid.** For alternative facilities bonding aid,

90.21   according to Minnesota Statutes, section 123B.59, subdivision 1:

90.22     \$        19,114,000     .....   2014

90.23     \$        19,287,000     .....   2015

90.24   The 2014 appropriation includes \$2,623,000 for 2013 and \$16,491,000 for 2014.

90.25   The 2015 appropriation includes \$2,796,000 for 2014 and \$16,491,000 for 2015.

90.26   Subd. 5. **Equity in telecommunications access.** For equity in telecommunications

90.27   access:

90.28     \$        3,750,000     .....   2014

90.29     \$        3,750,000     .....   2015

143.1 If the appropriation amount is insufficient, the commissioner shall reduce the  
143.2 reimbursement rate in Minnesota Statutes, section 125B.26, subdivisions 4 and 5, and the  
143.3 revenue for fiscal years 2014 and 2015 shall be prorated.

143.4 Any balance in the first year does not cancel but is available in the second year.

143.5 Subd. 6. **Deferred maintenance aid.** For deferred maintenance aid, according to  
143.6 Minnesota Statutes, section 123B.591, subdivision 4:

143.7       \$       3,564,000       ..... 2014

143.8       \$       3,731,000       ..... 2015

143.9 The 2014 appropriation includes \$456,000 for 2013 and \$3,108,000 for 2014.

143.10 The 2015 appropriation includes \$489,000 for 2014 and \$3,242,000 for 2015.

90.30 If the appropriation amount is insufficient, the commissioner shall reduce the  
90.31 reimbursement rate in Minnesota Statutes, section 125B.26, subdivisions 4 and 5, and the  
90.32 revenue for fiscal years 2014 and 2015 shall be prorated.

91.1 Any balance in the first year does not cancel but is available in the second year.

91.2 Subd. 6. **Deferred maintenance aid.** For deferred maintenance aid, according to  
91.3 Minnesota Statutes, section 123B.591, subdivision 4:

91.4       \$       3,532,000       ..... 2014

91.5       \$       3,729,000       ..... 2015

91.6 The 2014 appropriation includes \$456,000 for 2013 and \$3,076,000 for 2014.

91.7 The 2015 appropriation includes \$521,000 for 2014 and \$3,208,000 for 2015.